

FISCAL NOTE

HB 279 - SB 184

February 27, 2003

SUMMARY OF BILL: Creates the *Tennessee National Guard Tuition Assistance Program* to provide members of the Tennessee National Guard with the opportunity to attend a state educational institution. This program would be established under the adjutant general of Tennessee who would promulgate rules and regulations to establish eligibility requirements for participation.

Under this program, the Military Department would pay, to the extent funds have been appropriated by the General Appropriations Act and are available to the program, the cost of the eligible member's tuition at a state educational institution. An active member of the Tennessee National Guard who is not a Tennessee resident would qualify for the tuition assistance benefits provided that:

1. The member is enrolled in an educational institution within the state;
2. The tuition assistance benefits could not exceed the amount of in-state tuition assistance the member would have received if the member were a Tennessee resident; and
3. The tuition assistance benefits provided to the member who is enrolled at a private college or university shall not exceed the amount of in-state tuition assistance the member would receive if the member were enrolled at a state-supported educational institution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$214,750

Other Fiscal Impact - Increase Federal Expenditures - \$644,250

This estimate was based on the following:

Estimated 109 full-time guardsmen x \$1217 = \$132,653 per semester

Estimated 983 part-time guardsmen x \$302 = \$296,866 per semester

2 semesters x \$429,519 = \$859,038 per year

Under the ACES Tuition Assistance Program administered by the Department of Military, all eligible Army National Guard personnel receive up to 75% of their tuition paid with federal funds through this program. Therefore, it is assumed that approximately 75% of the total cost of the Tennessee National Guard Tuition Assistance Program, set out by the provisions of this bill, will be paid with federal funds.

For information purposes, there was included in the Governor's 2002-03 Budget an appropriation of \$250,000 for the purpose of providing eligible National Guard personnel with tuition assistance. However, in the 2002-03 General Appropriations bill, Section 10, Item 79, this funding was removed.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director